

Union Calendar No. 733

84TH CONGRESS
2D SESSION

H. R. 9593

[Report No. 2015]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 1956

Mr. DAWSON of Illinois introduced the following bill; which was referred to the Committee on Government Operations

APRIL 19, 1956

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To simplify accounting, facilitate the payment of obligations,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, except as otherwise provided by law, ~~(a)~~ the account
4 for each appropriation available for obligation for a definite
5 period of time shall, upon the expiration of such period, be
6 closed as follows:

7 ~~(1)~~ The obligated balance shall be transferred to an
8 appropriation account of the activity responsible for the
9 liquidation of the obligations, in which account shall be
10 merged the amounts so transferred from all appropriation
11 accounts for the same general purposes; and

1 ~~(2)~~ The remaining balance shall be withdrawn and, if
2 the appropriation was derived in whole or in part from the
3 general fund, shall revert to such fund, but if the appropria-
4 tion was derived solely from a special or trust fund, shall
5 revert, unless otherwise provided by law, to the fund from
6 which derived.

7 ~~(b)~~ The transfers and withdrawals required by subsec-
8 tion ~~(a)~~ of this section shall be made—

9 ~~(1)~~ not later than September 30 of the fiscal year
10 immediately following the fiscal year in which the period
11 of availability for obligation expires, in the case of an
12 appropriation available both for obligation and dis-
13bursement on or after the date of approval of this Act;
14 or

15 ~~(2)~~ not later than September 30 of the fiscal year
16 immediately following the fiscal year in which this Act
17 is approved, in the case of an appropriation which, on
18 the date of approval of this Act, is available only for
19 disbursement.

20 ~~(c)~~ For the purposes of this Act, the obligated balance
21 of an appropriation account shall be the amount of unliqui-
22 dated obligations applicable to such appropriation less the
23 amount collectible as repayments to the appropriation as of
24 the close of the fiscal year as reported pursuant to section
25 1311 ~~(b)~~ of the Supplemental Appropriation Act, 1955 ~~(68~~

1 Stat. 830; 31 U. S. C. 200 (b)). Collections authorized
2 to be credited to an appropriation but not received until
3 after the close of the fiscal year in which such appropria-
4 tion expires for obligation shall, unless otherwise authorized
5 by law, be credited to the appropriation account into which
6 the obligated balance has been or will be transferred, pur-
7 suant to subsection (a) (1), except that collections made by
8 the General Accounting Office for other Government agen-
9 cies may be deposited into the Treasury as miscellaneous
10 receipts.

11 (d) The transfers and withdrawals required pursuant
12 to subsection (a) of this section shall be accounted for and
13 reported as of the fiscal year in which the appropriations
14 concerned expire for obligation, except that such transfers
15 of appropriations described in subsection (b) (2) of this
16 section shall be accounted for and reported as of the fiscal
17 year in which this Act is approved.

18 SEC. 2. Each appropriation account established pursuant
19 to this Act shall be accounted for as one fund and shall be
20 available without fiscal year limitation for payment of obli-
21 gations chargeable against any of the appropriations from
22 which such account was derived. Subject to regulations
23 to be prescribed by the Comptroller General of the United
24 States, payment of such obligations may be made without
25 prior action by the General Accounting Office, but nothing

1 contained in this Act shall be construed to relieve the Comp-
2 troller General of the United States of his duty to render
3 decisions upon requests made pursuant to law or to abridge
4 the existing authority of the General Accounting Office to
5 settle and adjust claims, demands, and accounts.

6 SEC. 3. (a) Appropriation accounts established pur-
7 suant to this Act shall be reviewed periodically, but at least
8 once each fiscal year, by each activity responsible for the
9 liquidation of the obligations chargeable to such accounts.
10 If the undisbursed balance in any account exceeds the ob-
11 ligated balance pertaining thereto, the amount of the excess
12 shall be withdrawn in the manner provided by section
13 1 (a) (2) of this Act; but if the obligated balance exceeds
14 the undisbursed balance, the amount of the excess shall
15 be transferred to such account from the appropriation cur-
16 rently available for the same general purposes. A review
17 shall be made as of the close of each fiscal year and the
18 transfers or withdrawals required by this section accom-
19 plished not later than September 30 of the following fiscal
20 year, but the transactions shall be accounted for and re-
21 ported as of the close of the fiscal year to which such review
22 pertains. A review made as of any other date for which
23 transfers or withdrawals are accomplished after September
24 30 in any fiscal year shall be accounted for and reported
25 as transactions of the fiscal year in which accomplished.

1 (b) Whenever a payment chargeable to an appropria-
2 tion account established pursuant to this Act would exceed
3 the undisbursed balance of such account, the amount of the
4 deficiency may be transferred to such account from the
5 appropriation currently available for the same general pur-
6 poses. Where such deficiency is caused by the failure to
7 collect repayments to appropriations merged with the appro-
8 priation account established pursuant to this Act, the amount
9 of the deficiency may be returned to such current appro-
10 priation if the repayments are subsequently collected during
11 the same fiscal year.

12 (c) In connection with his audit responsibilities, the
13 Comptroller General of the United States shall report to the
14 head of the agency concerned, to the Secretary of the Treas-
15 ury, and to the Director of the Bureau of the Budget, respect-
16 ing operations under this Act, including an appraisal of the
17 unliquidated obligations under the appropriation accounts
18 established by this Act. Within thirty days after receipt
19 of such report, the agency concerned shall accomplish any
20 actions required by subsection (a) of this section which such
21 report shows to be necessary.

22 SEC. 4. During the fiscal year following the fiscal year
23 in which this Act becomes effective, and under rules and
24 regulations to be prescribed by the Comptroller General
25 of the United States, the undisbursed balance of the appro-

1 priation account for payment of certified claims established
2 pursuant to section 2 of the Act of July 6, 1949 (63 Stat.
3 407; 31 U. S. C. 712b); shall be closed in the manner pro-
4 vided in section 1 (a) of this Act.

5 SEC. 5. The obligated balances of appropriations made
6 available for obligation for definite periods of time under dis-
7 continued appropriation heads may be merged in the appro-
8 priation accounts provided for by section 1 hereof, or in one
9 or more other accounts to be established pursuant to this
10 Act for discontinued appropriations of the activity currently
11 responsible for the liquidation of the obligations.

12 SEC. 6. The unobligated balances of appropriations which
13 are not limited to a definite period of time shall be withdrawn
14 in the manner provided in section 1 (a) (2) of this Act
15 whenever the head of the agency concerned shall determine
16 that the purpose for which the appropriation was made has
17 been fulfilled or will not be undertaken or continued; or, in
18 any event, whenever disbursements have not been made
19 against the appropriation for two full consecutive fiscal years:
20 *Provided*, That amounts of appropriations not limited to a
21 definite period of time which are withdrawn pursuant to this
22 section or where heretofore withdrawn from the appropriation
23 account by administrative action may be restored to the
24 applicable appropriation account for the payment of obliga-
25 tions and for the settlement of accounts.

1 SEC. 7. The following provisions of law are hereby
2 repealed:

3 (a) The proviso under the heading "~~PAYMENT OF CER-~~
4 ~~TIFIED CLAIMS~~" in the Act of April 25, 1945 (59 Stat. 90;
5 31 U. S. C. 690);

6 (b) Section 2 of the Act of July 6, 1949 (63 Stat. 407;
7 31 U. S. C. 712b), but the repeal of this section shall not
8 be effective until June 30, 1957;

9 (c) The paragraph under the heading "~~PAYMENT OF~~
10 ~~CERTIFIED CLAIMS~~" in the Act of June 30, 1949 (63 Stat.
11 358; 31 U. S. C. 712c);

12 (d) Section 5 of the Act of March 3, 1875 (18 Stat.
13 418; 31 U. S. C. 713a); and

14 (e) Section 3691 of the Revised Statutes, as amended
15 (31 U. S. C. 715).

16 SEC. 8. The provisions of this Act shall not apply to the
17 appropriations for the District of Columbia.

18 That (a) the account for each appropriation available for
19 obligation for a definite period of time shall, upon the ex-
20 piration of such period, be closed as follows:

21 (1) The obligated balance shall be transferred to an
22 appropriation account of the agency or subdivision thereof
23 responsible for the liquidation of the obligations, in which
24 account shall be merged the amounts so transferred from

1 *all appropriation accounts for the same general purposes;*
2 *and*

3 *(2) The remaining balance shall be withdrawn and, if*
4 *the appropriation was derived in whole or in part from the*
5 *general fund, shall revert to such fund, but if the appropria-*
6 *tion was derived solely from a special or trust fund, shall*
7 *revert, unless otherwise provided by law, to the fund from*
8 *which derived: Provided, That when it is determined nec-*
9 *essary by the head of the agency concerned that a portion of*
10 *the remaining balance withdrawn is required to liquidate*
11 *obligations and effect adjustments, such portion of the remain-*
12 *ing balance may be restored to the appropriate accounts es-*
13 *tablished pursuant to this Act: Provided further, That prior*
14 *thereto the head of the agency concerned shall make such*
15 *report with respect to each such restoration as the Director of*
16 *the Bureau of the Budget may require.*

17 *(b) The transfers and withdrawals required by subsec-*
18 *tion (a) of this section shall be made—*

19 *(1) not later than September 30 of the fiscal year*
20 *immediately following the fiscal year in which the period*
21 *of availability for obligation expires, in the case of an*
22 *appropriation available both for obligation and dis-*
23 *bursement on or after the date of approval of this Act;*
24 *or*

25 *(2) not later than September 30 of the fiscal year*

1 *immediately following the fiscal year in which this Act*
2 *is approved, in the case of an appropriation, which, on*
3 *the date of approval of this Act, is available only for*
4 *disbursement.*

5 *(c) For the purposes of this Act, the obligated balance*
6 *of an appropriation account as of the close of the fiscal year*
7 *shall be the amount of unliquidated obligations applicable to*
8 *such appropriation less the amount collectible as repayments*
9 *to the appropriation as reported pursuant to section 1311*
10 *(b) of the Supplemental Appropriation Act, 1955 (68 Stat.*
11 *830; 31 U. S. C. 200 (b)). Collections authorized to be*
12 *credited to an appropriation but not received until after the*
13 *close of the fiscal year in which such appropriation expires*
14 *for obligation shall, unless otherwise authorized by law, be*
15 *credited to the appropriation account into which the obligated*
16 *balance has been or will be transferred, pursuant to sub-*
17 *section (a) (1), except that collections made by the General*
18 *Accounting Office for other Government agencies may be de-*
19 *posited into the Treasury as miscellaneous receipts.*

20 *(d) The transfers and withdrawals made pursuant to*
21 *subsections (a) and (b) of this section shall be accounted for*
22 *and reported as of the fiscal year in which the appropria-*
23 *tions concerned expire for obligation, except that such trans-*
24 *fers of appropriations described in subsection (b) (2) of this*

1 section shall be accounted for and reported as of the fiscal
2 year in which this Act is approved.

3 *SEC. 2. Each appropriation account established pursu-*
4 *ant to this Act shall be accounted for as one fund and shall*
5 *be available without fiscal year limitation for payment of obli-*
6 *gations chargeable against any of the appropriations from*
7 *which such account was derived. Subject to regulations to be*
8 *prescribed by the Comptroller General of the United States,*
9 *payment of such obligations may be made without prior ac-*
10 *tion by the General Accounting Office, but nothing contained*
11 *in this Act shall be construed to relieve the Comptroller Gen-*
12 *eral of the United States of his duty to render decisions upon*
13 *requests made pursuant to law or to abridge the existing au-*
14 *thority of the General Accounting Office to settle and adjust*
15 *claims, demands, and accounts.*

16 *SEC. 3. (a) Appropriation accounts established pursu-*
17 *ant to this Act shall be reviewed periodically, but at least once*
18 *each fiscal year, by each agency concerned. If the undis-*
19 *bursed balance in any account exceeds the obligated balance*
20 *pertaining thereto, the amount of the excess shall be with-*
21 *drawn in the manner provided by section 1 (a) (2) of this*
22 *Act; but if the obligated balance exceeds the undisbursed bal-*
23 *ance, the amount of the excess may be transferred to such*
24 *account from the appropriation currently available for the*
25 *same general purposes. A review shall be made as of the*

1 close of each fiscal year and the transfers or withdrawals re-
2 quired by this section accomplished not later than September
3 30 of the following fiscal year, but the transactions shall be
4 accounted for and reported as of the close of the fiscal year
5 to which such review pertains. A review made as of any
6 other date for which transfers or withdrawals are accom-
7 plished after September 30 in any fiscal year shall be ac-
8 counted for and reported as transactions of the fiscal year in
9 which accomplished.

10 (b) Whenever a payment chargeable to an appropria-
11 tion account established pursuant to this Act would exceed the
12 undisbursed balance of such account, the amount of the defi-
13 ciency may be transferred to such account from the ap-
14 propriation currently available for the same general pur-
15 poses. Where such deficiency is caused by the failure to col-
16 lect repayments to appropriations merged with the appro-
17 priation account established pursuant to this Act, the amount
18 of the deficiency may be returned to such current appropria-
19 tion if the repayments are subsequently collected during the
20 same fiscal year.

21 (c) In connection with his audit responsibilities, the
22 Comptroller General of the United States shall report to the
23 head of the agency concerned, to the Secretary of the Treas-
24 ury, and to the Director of the Bureau of the Budget, respect-
25 ing operations under this Act, including an appraisal of the

1 *unliquidated obligations under the appropriation accounts es-*
2 *tablished by this Act. Within thirty days after receipt of*
3 *such report, the agency concerned shall accomplish any ac-*
4 *tions required by subsection (a) of this section which such*
5 *report shows to be necessary.*

6 *SEC. 4. During the fiscal year following the fiscal year*
7 *in which this Act becomes effective, and under rules and*
8 *regulations to be prescribed by the Comptroller General of*
9 *the United States, the undisbursed balance of the appropria-*
10 *tion account for payment of certified claims established pur-*
11 *suant to section 2 of the Act of July 6, 1949 (63 Stat.*
12 *407; 31 U. S. C. 712b), shall be closed in the manner pro-*
13 *vided in section 1 (a) of this Act.*

14 *SEC. 5. The obligated balances of appropriations made*
15 *available for obligation for definite periods of time under*
16 *discontinued appropriation heads may be merged in the appro-*
17 *priation accounts provided for by section 1 hereof, or in one*
18 *or more other accounts to be established pursuant to this Act*
19 *for discontinued appropriations of the agency or subdivision*
20 *thereof currently responsible for the liquidation of the obli-*
21 *gations.*

22 *SEC. 6. The unobligated balances of appropriations which*
23 *are not limited to a definite period of time shall be withdrawn*
24 *in the manner provided in section 1 (a) (2) of this Act*
25 *whenever the head of the agency concerned shall determine*

1 *that the purposes for which the appropriation was made has*
2 *been fulfilled; or in any event, whenever disbursements have*
3 *not been made against the appropriation for two full con-*
4 *secutive fiscal years: Provided, That amounts of appropria-*
5 *tions not limited to a definite period of time which are with-*
6 *drawn pursuant to this section or were heretofore withdrawn*
7 *from the appropriation account by administrative action may*
8 *be restored to the applicable appropriation account for the*
9 *payment of obligations and for the settlement of accounts.*

10 *SEC. 7. The following provisions of law are hereby*
11 *repealed:*

12 *(a) The proviso under the heading "PAYMENT OF CER-*
13 *TIFIED CLAIMS" in the Act of April 25, 1945 (59 Stat. 90;*
14 *31 U. S. C. 690);*

15 *(b) Section 2 of the Act of July 6, 1949 (63 Stat. 407;*
16 *31 U. S. C. 712b), but the repeal of this section shall not*
17 *be effective until June 30, 1957;*

18 *(c) The paragraph under the heading "PAYMENT OF*
19 *CERTIFIED CLAIMS" in the Act of June 30, 1949 (63 Stat.*
20 *358; 31 U. S. C. 712c);*

21 *(d) Section 5 of the Act of March 3, 1875 (18 Stat.*
22 *418; 31 U. S. C. 713a); and*

23 *(e) Section 3691 of the Revised Statutes, as amended*
24 *(31 U. S. C. 715).*

25 *(f) Any provisions (except those contained in appropria-*

1 *tion Acts for the fiscal years 1956 and 1957) permitting an*
2 *appropriation to remain available for expenditure for any*
3 *period beyond that for which it is available for obligation, but*
4 *this subsection shall not be effective until June 30, 1957.*

5 *SEC. 8. The provisions of this Act shall not apply to the*
6 *appropriations for the District of Columbia.*

7 *SEC. 9. The inclusion in appropriation Acts of provi-*
8 *sions excepting any appropriation or appropriations from the*
9 *operation of the provisions of this Act and fixing the period*
10 *for which such appropriation or appropriations shall remain*
11 *available for expenditure is hereby authorized.*

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By Mr. Dawson of Illinois

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